

2 Principles of Management

Fastrack Revision

- ▶ **Principles of Management:** The principles of management serve as broad and general guidelines for the managerial decision-making and action. In other words, principles of management are general guidelines, which can be used for conduct in work places under certain situations. It also helps manager to take and implement thoughtful decisions.

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Derivation of Principles of Management

- **Observation:** The management thinkers and researchers observe certain events, which may be used in future.
- **Experimentation:** The guidelines developed through observation are repeatedly experimented to test their validity.

- ▶ **Characteristics/Features/Nature of Principles of Management**

- ▶ **Universal Applicability:** They can be applied in all types of organisations, business as well as non-business, small as well as large enterprises. However, extent of application varies depending on nature and size of organisation.
- ▶ **General Guidelines:** They are general guidelines of action and decision-making, however, they do not provide readymade solutions as the business environment is ever changing or dynamic. They have to be adjusted as per demand of the situation.
- ▶ **Formed by Practice and Experimentation:** They are developed after thorough research work on the basis of experiences of managers.
- ▶ **Flexible:** Principles of management can be adapted and modified by the practicing managers as per the demands of the situations as they are man-made principles.
- ▶ **Behavioural:** Since the principles aim at influencing complex human behaviour, they are behavioural in nature. Principles also enable a better understanding of relationship between human and material resources.
- ▶ **Cause and Effect Relationship:** They intend to establish relationship between cause and effect so that they can be used in similar situations. It means principles help in predicting the outcome of managerial actions.
- ▶ **Contingent:** Their applicability depends upon the prevailing situation at a particular point of time. They have to be suitably amended as per the situations.

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Management principles are evolutionary in nature.

- ▶ **Significance/Importance of Principles of Management**

- ▶ **Providing Managers with Useful Insights Into Reality:** If managers adhere to the principles of management, then it adds to their knowledge, ability and understanding of managerial situations and circumstances due to which they are able to deal with real life situations and solve problems quickly.
- ▶ **Optimum Utilisation of Resources and Effective Administration:** Principles of management equip the managers to foresee cause and effect relationship of their actions. So, wastages associated with trial and error approach can be overcome. Thus, when wastages are reduced, it leads to optimum utilisation of resources.
- ▶ **Scientific Decisions:** Management decisions based on principles emphasise logic rather than blind faith as they are based on facts and objective assessment of the situation. Thus, management decisions based on principles are timely and realistic.
- ▶ **Meeting Changing Business Environment Requirement:** Management principles, though being general guidelines can be modified to help managers to meet changing requirements of environment, thereby being flexible in nature.
- ▶ **Fulfilling Social Responsibility:** The increased awareness of the public has forced businesses to fulfil social responsibilities. Management principles have helped to fulfil social responsibility.
- ▶ **Management Training, Education and Research:** Principles of management, being at core of management theory provide basis for management training, education, research and development of management as a discipline. BBA, MBA courses teach these principles at beginner's level (Principle used in Education).

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Principles of management make administration more effective by discouraging personal prejudices and biases.

- ▶ **Fayol's Principles of Management:** Henry Fayol (1841-1925) got degree in Mining Engineering and joined French Mining Company in 1860 as an Engineer. He is well known as the 'Father of General Management'.

He developed the following principles:

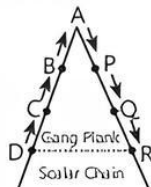
- **Division of Work:** According to this principle, work is divided into small tasks/jobs and each work is done by a trained specialist which leads to greater efficiency, specialisation, increased productivity and reduction in wastages and movements.
- **Authority and Responsibility:** Authority means power to take decisions and responsibility means obligation to complete the job assigned on time. Authority and responsibility should go hand-in-hand. Mere responsibility without authority, makes an executive less interested in discharging his duties. Similarly, giving authority without assigning responsibility makes him arrogant and there is fear of misuse of power. According to this principle, there should be a proper balance between authority and responsibility.
- **Discipline:** It is the obedience of organisational rules by the subordinates. Discipline requires good supervisors at all levels, clear and fair agreements and judicious application of penalties.

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Discipline is must for all the enterprises and for all the levels.

- **Unity of Command:** It implies that every worker should receive orders and instructions from one superior only, otherwise it will create confusion, conflict, disturbance and overlapping of activities. According to Fayol, if this principle is violated, then authority is undetermined, order disturbed and stability threatened.
- **Unity of Direction:** Each group of activities having the same objective must have one head and one plan. This ensures unity of action and coordination.
- **Subordination of Individual Interest to General Interest:** The interest of an organisation should take priority over the interest of individual employees.
- **Remuneration of Employees:** The overall pay and compensation should be fair to both employees and the organisation. The wages should encourage the workers to work more and better.
- **Centralisation and Decentralisation:** Centralisation means concentration of decision-making authority in few hands at top level. Decentralisation means even distribution of power at every level of management. Both should be balanced in the organisation.
- **Scalar Chain:** The formal lines of authority between superiors and subordinates from the highest to the lowest ranks is known as scalar chain. This chain should not be violated, but in emergency employees at same level can contact through Gang Plank by informing their immediate superiors.



TIP

Students must be noted that the Gang Plank is possible only for employees of equal rank or same level.

- **Order:** According to this principle, a place for everything and everyone should be clearly assigned. People and material must be in suitable places at appropriate time for maximum efficiency.

- **Equity:** The working environment of any organisation should be free from all forms of discrimination (religion, language, caste, sex, age, disability, race or skin colour, national origin) and principles of justice and fair play should be followed. No worker should be unduly favoured or punished.
- **Stability of Personnel:** After being selected and appointed by rigorous procedure, the selected person should be kept at the post for a minimum period so that he can work at his full potential.
- **Initiative:** Workers should be encouraged to develop and carry out their plan for improvements. Initiative means taking the first step with self-motivation. It is thinking out and executing the plan.
- **Esprit de Corps:** Management should promote team spirit, unity and harmony among employees. Management should promote team work. It will develop an atmosphere of mutual trust and belongingness among team members and will minimise the need for using penalties.

- **Scientific Management:** It means knowing exactly what you want your employees to do and seeing that they do it in the best and cost-efficient way.

Fredrick Winslow (F.W.) Taylor developed the scientific management principles. According to him, "Scientific management means knowing exactly what you want men to do and seeing that they do it in the best and the cheapest way."

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Scientific management can also be defined as application of science for each and every element of management.

- **Principles of Scientific Management**
 - **Science, not Rule of Thumb:** Taylor believed that there was only one best method to maximise efficiency which can be developed through study and analysis and should substitute 'Rule of Thumb' or hit and trial method throughout the organisation.
 - **Harmony, not Discord:** Taylor emphasised that there should be complete harmony between the management and workers instead of a kind of class-conflict between the managers versus the workers. To achieve this state, Taylor called for complete mental revolution on the part of both management and workers.

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Mental Revolution: It refers to change in mind on the part of both workers and management, towards each other from competition to cooperation.

- **Cooperation, not Individualism:** This principle is an extension of principle of 'Harmony, not Discord'. There should be complete cooperation between the labour and the management instead of individualism. Competition should be replaced by cooperation and there should be an almost equal division of work and responsibility between workers and management.

- **Development of Each and Every Person to His or Her Greatest Efficiency and Prosperity:** Taylor was of the view that the concern for efficiency could be built in right from the process of employee selection. Each person should be scientifically selected and the work assigned should suit his or her physical, mental and intellectual capabilities. To increase efficiency, they should be given the required training.

➤ **Techniques of Scientific Management**

- **Time Study:** It is the technique to determine the standard time taken by a worker of average skill and knowledge to complete a standard task.
- **Fatigue Study:** It seeks to determine the amount and frequency of rest intervals required in completing a task. Fatigue study helps to avoid accidents, rejections and industrial sickness.
- **Method Study:** It seeks to find out one best way of doing the job. The objective of this technique is to minimise the cost of production and maximise quality and satisfaction of customers.
- **Motion Study:** It refers to the study of movements of limbs which are undertaken while doing a typical job. This helps to eliminate unnecessary movements so that it takes less time to complete the job efficiently.
- **Standardisation and Simplification of Work:** It refers to the process of setting standards for every business activity. Simplification aims at eliminating superfluous varieties, sizes and dimensions of products.

- **Functional Foremanship:** It is an extension of the principle of division of work and specialisation to the shop-floor. Each worker is supposed to take orders from eight foreman in the related process or function of production namely;

➤ **Under Planning Department**

- **Instruction Card Clerk:** He assigns work to all the employees.
- **Route Clerk:** He decides how work will progress so that production is on time.
- **Time and Cost Clerk:** He determines what will be the total cost and how much time each job takes.
- **Disciplinarian:** He sees that there is discipline at work place.

➤ **Under Production Department**

- **Speed Boss:** He ensures that the work is moving at a suitable pace.
- **Gang Boss:** He ensures sufficient availability of raw material, tools, etc.
- **Repair Boss:** He sees that whenever some repair is involved in any work, the work is done properly.
- **Inspector:** He sees that whether the quality of output is good or not.

- **Differential Piece Wage System:** It was introduced to reward efficient workers by paying them at a higher rate than those who performed below standard. In this technique, Incentive is directly linked with productivity.

➤ **Compare the Contribution of Fayol and Taylor**

Henry Fayol and F.W. Taylor are associated with the classical management theory. Both of them immensely contributed towards the knowledge of management. They were different in their contributions but essentially they were complementary in nature.

Comparison between Henry Fayol and F.W. Taylor

S. No.	Basis of Comparison	Henry Fayol	F.W. Taylor
(i)	Perspective	Top level of management.	Shop-floor level of a factory.
(ii)	Focus	Overall efficiency by observing certain principles.	Efficiency through work simplification and standardisation.
(iii)	Orientation	Managerial Functions.	Production and engineering.
(iv)	Results	Personal experiences translated into universal truths.	Scientific observation and measurement.
(v)	Overall Contribution	Systematic theory of management.	Basis for accomplishment on production line.

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The main aim of both the principles was to secure maximum from available resources.

MNEMONICS

- 1. Concept:** Nature of Management Principles
Mnemonics: U Can Group Chat with FB Friends.
Interpretation:
U : Universal
C : Contingent
G : General guidelines
C : Cause and effect relationship
F : Flexible
B : Behavioural
F : Formed by practice
- 2. Concept:** Principles of Scientific Management
Mnemonics: Hari Das Convent School.
Interpretation:
H : Harmony, not discord

- 3. Concept:** Techniques of Scientific Management
Mnemonics: Tom Made Maggi Fantastic, Super Delicious and Fabulous.
Interpretation:
T : Time study
M : Method study
M : Motion study
F : Fatigue study
S : Standardisation and simplification of work
D : Differential piece wage system
F : Functional foremanship



Practice Exercise



Multiple Choice Questions

- Q 1. Which technique of Taylor is the strongest motivator for a worker to reach standard performance?
 a. Differential piece wage system
 b. Functional foremanship
 c. Method study
 d. Standardisation and simplification of work
- Q 2. Fayol's book was published in English as 'General and Industrial Management' in:
 a. 1949 b. 1947
 c. 1918 d. 1933
- Q 3. The objective of which of the following techniques of scientific management is to determine the number of workers to be employed in an organisation?
 (CBSE 2021, Term-1)
 a. Method study
 b. Motion study
 c. Time study
 d. Differential piece wage system
- Q 4. Match the 'Techniques of Scientific Management' under Column I with the 'Suitable Statements' under Column II.

Column I	Column II
A. Fatigue study	(i) Aims to differentiate between efficient and inefficient workers.
B. Differential piece wage system	(ii) Each worker to take orders from eight foreman in the related process.
C. Functional foremanship	(iii) Aims to determine the standard time taken to perform a well-defined job.
D. Time study	(iv) Aims to determine the amount and frequency of rest intervals in completing a task.

- | | |
|------------------------|------------------------|
| A B C D | A B C D |
| a. (iv) (i) (ii) (iii) | b. (iii) (ii) (i) (iv) |
| c. (i) (ii) (iii) (iv) | d. (iv) (iii) (ii) (i) |

- Q 5. Name the principle of management given by Fayol which when applied would mean that the workers and management both honour their commitments without any prejudice towards one another.
 (CBSE SQP 2021, Term-1)
 a. Discipline
 b. Mental revolution
 c. Remuneration of employees
 d. Scalar chain
- Q 6. The principle of management given by Fayol which aims at preventing overlapping of activities is:
 (CBSE SQP 2021, Term-1)
 a. Division work b. Unity of command
 c. Unity of direction d. Order

- Q 7. "This principle will give rise to a spirit of mutual trust and belongingness among team members." Which principle of management stated by Fayol is highlighted by this statement? (CBSE 2021, Term-1)
 a. Initiative
 b. Esprit de corps
 c. Equity
 d. Remuneration of employees
- Q 8. Management principles differ from pure science principle because management principles are:
 a. applied creatively
 b. vague
 c. applied in static manner
 d. rigid
- Q 9. Under functional foremanship, quality of work is checked by:
 a. route clerk b. gang boss
 c. inspector d. repair boss
- Q 10. Gang plank is related with which principle of management?
 a. Unity of direction b. Unity of command
 c. Scalar chain d. Discipline
- Q 11. "Management principles aim at influencing behaviour of human beings." Which feature of principles of management is being highlighted in the given statement?
 a. Mainly behavioural
 b. Cause and effect relationships
 c. Universal applicability
 d. Flexible
- Q 12. The Fayol's principle of, emphasises on kindness and justice in the behaviour of managers towards workers.
 (CBSE 2021, Term-1)
 a. equity b. discipline
 c. esprit de corps d. scalar chain
- Q 13. "Both workers and management should honour their commitments without any prejudice towards one another." Which principle of management is being highlighted?
 a. Authority and responsibility
 b. Discipline
 c. Unity of command
 d. Division of work
- Q 14. Identify the principle of management given by Fayol according to which "The intent of this principle is to produce more and better work with the same effort."
 a. Division of work b. Unity of direction
 c. Scalar chain d. Equity
- Q 15. "The application of principles of management is dependent upon the prevailing situation at a particular point of time."
 The above statement highlights that principles of management are:
 (CBSE 2021, Term-1)
 a. flexible b. contingent
 c. behavioural d. universal
- Q 16. Which principle prevents dual subordination?
 a. Discipline b. Unity of command
 c. Unity of direction d. Order

Q 17. Taylor proposed eight specialists from whom each worker will have to take orders from as part of the technique of 'Functional Foremanship' specified by him. Those with technical, mastery, intelligence and grit may be given work. Those with energy and good health may be assigned work.

(CBSE SQP 2021, Term-1)

- a. planning, execution
- b. execution, planning
- c. production, planning
- d. implementation, production

Q 18. The production department at Karishma Ltd., a firm manufacturing readymade garments for men, has an objective to increase production by 10%, but the sales department does not approve of the increase in production, till changes are brought about in the product to incorporate latest fashion. These kinds of conflicts bring to light the following importance of the force that can help to accomplish the linking of activities of various departments.

(CBSE SQP 2021, Term-1)

- a. Growth in size
- b. Functional differentiation
- c. Specialisation
- d. Efficiency

Q 19. The technique proposed by Taylor aims at eliminating unnecessary diversity of products.

(CBSE 2021, Term-1)

- a. motion study
- b. standardisation and simplification of work
- c. differential piece wage system
- d. functional foremanship

Q 20. Henry Fayol was a/an:

- a. Accountant
- b. Mining Engineer
- c. Social Scientist
- d. Production Engineer

Q 21.



Identify the principle of scientific management illustrated in the above picture.

- a. Science, not Rule of Thumb
- b. Harmony, not Discord
- c. Cooperation, not Individualism
- d. Development of Each and Every Person to His or Her Greatest Efficiency and Prosperity

Q 22. Division of work:

- a. leads to specialisation
- b. applies to both managerial and technical work
- c. increase the efficiency
- d. All of the above

Q 23. Pioneer Ltd. is dealing in fruit juices and hair oils. To ensure unity of action and coordination, it has made two separate divisions for each product. Each division has its own incharge, plans and execution resources. Thus, both the divisions are moving towards the same objectives through focused efforts.

Identify the principle of management followed by Pioneer Ltd. in the above case. (CBSE 2021, Term-1)

- a. Esprit de corps
- b. Equity
- c. Unity of direction
- d. Authority and responsibility

Q 24. Statement I: Values are general rules for behaviour of individuals in society formed on the basis of common practice and principles after research in work situations.

Statement II: While practising principles of management, values cannot be neglected as businesses have to fulfil social and ethical responsibilities towards society.

Choose the correct option from the options given below: (CBSE 2023)

- a. Statement I is true and II is false.
- b. Statement II is true and I is false.
- c. Both the statements are true.
- d. Both the statements are false.

Q 25. The concept of 'Mental Revolution', as prescribed by Taylor, involves, a change in the mindset of:

(CBSE 2021, Term-1)

- a. workers towards the management.
- b. management towards the workers.
- c. workers and management towards one another from competition to cooperation.
- d. customers towards the management of the organisation.

Q 26. Taylor believed that there was only one best method to maximise efficiency. This method can be developed through study and analysis. Identify the principle of scientific management being discussed above. (CBSE SQP 2021, Term-1)

- a. Harmony, not Discord
- b. Science, not Rule of Thumb
- c. Development of Each and Every Person to His or Her Greatest Efficiency and Prosperity
- d. Cooperation, not Individualism

Q 27. Taylor called for complete mental revolution on the part of both management and workers. It meant that management and workers should transform their thinking. Management should share the gains of the company, if any, with the workers. At the same time, workers should work hard and be willing to embrace change for the good of the company.

The principle of management highlighted here is:
(CBSE 2023)

- a. Science, not the rule of thumb
- b. Cooperation, not Individualism
- c. Harmony, not discord
- d. Development of each and every person to his or her greatest efficiency and prosperity

Q 28. 'Flavours of South' is a famous chain of South Indian restaurants. It believes in complete cooperation between the labour and management. It's management encourages the employees jar their constructive suggestions. They take their employees into confidence for all important decisions.

Which principle of scientific management has been followed by 'Flavours of South'? (CBSE 2021, Term-1)

- a. Science, not Rule of Thumb
- b. Harmony, not Discord
- c. Cooperation, not Individualism
- d. Development of Each and Every Person to His or Her Greatest Efficiency and Prosperity

Q 29. The CEO of Radhe Cycles Pvt. Ltd., Mr. Kumar, wants to get maximum output from the employees at a competitive cost. On the other hand, Ramakaant, an employee of the company wants to get the maximum salary while working the least. The principle of management given by Fayol being violated by Ramakaant is: (CBSE SQP 2021, Term-1)

- a. remuneration of employees
- b. equity
- c. discipline
- d. subordination of individual interest to general Interest

Q 30. "She/He keeps machines, materials, tools, etc., ready for operations by concerned workers." Whose work is described by this sentence under functional foremanship?

- a. Instruction card clerk b. Repair boss
- c. Gang boss d. Route clerk

Q 31. Statement I: Transportation helps in creating time utility and warehousing helps in creating place utility.

Statement II: The process of classification of products into different groups on the basis of their important characteristics is known as standardisation.

Choose the correct option from the options given below: (CBSE SQP 2022-23)

- a. Statement I is true and II is false.
- b. Statement II is true and I is false.
- c. Both the statements are true.
- d. Both the statements are false.

Q 32. Statement I: Principles of pure science are different from management principles.

Statement II: Principles of pure science are to be rigid in nature whereas management principles are flexible in nature.

Choose the correct option from the options given below:

- a. Statement I is true and II is false.
- b. Statement II is true and I is false.
- c. Both the statements are true.
- d. Both the statements are false.

Q 33. Statement I: The instruction card clerk only prepare the instruction card for the workers.

Statement II: The card prepares by the instruction card clerk contain the information about the nature of work, procedure of doing work, material to be used and details about machinery.

Choose the correct option from the options given below:

- a. Statement I is true and II is false.
- b. Statement II is true and I is false.
- c. Both the statements are true.
- d. Both the statements are false.

Q 34. Statement I: Principles of management are mainly behavioural in nature.

Statement II: As human behaviour is very complex and dynamic in nature, management principles do not aim to influence such unpredictable behaviour.

Choose the correct option from the options given below:

- a. Statement I is true and II is false.
- b. Statement II is true and I is false.
- c. Both the statements are true.
- d. Both the statements are false.

Q 35. Statement I: Cooperation not, individualism, an extension of scientific management.

Statement II: The constructive suggestions of workers should be adopted and both management and workers share responsibility and perform together towards the organisational goals.

Choose the correct option from the options given below:

- a. Statement I is true and II is false.
- b. Statement II is true and I is false.
- c. Both the statements are true.
- d. Both the statements are false.



Assertion & Reason Type Questions

Directions (Q. Nos. 36-45): There are two statements marked as Assertion (A) and Reason (R). Read the statements and choose the appropriate option from the options given below:

- a. Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- b. Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
- c. Assertion (A) is true, but Reason (R) is false.
- d. Assertion (A) is false, but Reason (R) is true.

Q 36. Assertion (A): Principles of management are general guidelines to action.

Reason (R): They have been developed through observations, experimentation and experience of management thinkers.

Q 37. Assertion (A): Management principles can be used in similar situations in large number of cases.

Reason (R): They establish relationship between cause and effect and thus help in predicting the outcome of managerial actions.

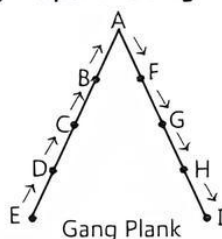
Q 38. Assertion (A): Management principles are scientific decisions.

Reason (R): They help to increase knowledge and are used as a basis for management training, education and research.

Q 39. Assertion (A): Panchayats in our country have been given more powers to decide and spend funds granted to them by government for the welfare of villages.

Reason (R): Government has applied the principle of centralisation and decentralisation at the national level.

Q 40. Assertion (A): As per this diagram,



E and I can talk to each other in case of emergency through 'Gang Plank'.

Reason (R): The concept of Gang Plank is possible for employees of any rank.

Q 41. Assertion (A): The workers who are selected after scientific selection system must be assigned job as per their physical, mental and intellectual capabilities.

Reason (R): It holds true in case of principle of 'development of each and every person to his/her greatest efficiency and prosperity'.

Q 42. Assertion (A): Fayol gave the concept/technique of 'Functional foremanship'.

Reason (R): A single person cannot have all the required qualities of a foreman.

Q 43. Assertion (A): Functional foremanship complements unity of command.

Reason (R): In both, workers receive orders from one superior only.

Q 44. Assertion (A): Taylor gave the technique of simplification of work.

Reason (R): As he wanted to set standards for every phase of business operation.

Q 45. Assertion (A): Differential piece wage system helps to improve worker's performance.

Reason (R): It fixes two rates to differentiate between efficient and inefficient workers and thus the inefficient workers feel motivated for higher performance.

Answers

1. (a) Differential piece wage system
2. (a) 1949
3. (c) Time study
4. (a) A-(iv), B-(i), C-(ii), D-(iii)
5. (a) Discipline
6. (c) Unity of direction
7. (a) Initiative
8. (a) applied creatively
9. (c) inspector
10. (c) Scalar chain
11. (a) Mainly behavioural
12. (a) equity
13. (b) Discipline
14. (a) Division of work
15. (b) Contingent
16. (b) Unity of command
17. (a) planning, execution
18. (b) Functional differentiation
19. (b) Standardisation and simplification of work
20. (b) Mining Engineer
21. (b) Harmony, not Discord
22. (d) All of the above
23. (b) Equity
24. (c) Both the statements are true.
25. (c) workers and management towards one another from competition to cooperation.
26. (b) Science, not Rule of Thumb
27. (c) Harmony, not discord
28. (c) Cooperation, not Individualism
29. (d) subordination of individual interest to general interest
30. (c) Gang boss
31. (d) Both the statements are false.
32. (c) Both the statements are true.
33. (b) Statement II is true and I is false.
34. (a) Statement I is true and II is false.
35. (b) Statement II is true and I is false.
36. (c) Assertion (A) is true, but Reason (R) is false.
37. (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
38. (c) Assertion (A) is true, but Reason (R) is false.
39. (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
40. (c) Assertion (A) is true, but Reason (R) is false.
41. (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
42. (d) Assertion (A) is false, but Reason (R) is true.
43. (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
44. (c) Assertion (A) is true, but Reason (R) is false.
45. (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).



Case Study Based Questions

Case Study 1

Read the extract given below and answer the questions on the basis of the same:

Donira Ltd. was not working well. After detailed analysis, it was discovered that losses were due to low productivity of workers.

It was found that the workers of production department were not satisfied with the behaviour of Mr. Ajay, the Production Manager. He forced workers to work for long hours without any rest. He also discriminated among the workers and gave preferential treatment to his favourites. He also did not take timely update from the sales department regarding the exact number of units to be produced and blamed the sales department for not supplying the needed information on time.

To improve the situation, management decided to replace Mr. Ajay with Mr. Vijay who had recently completed his M.B.A. from IIM, Ahmedabad. Mr. Vijay did a detailed analysis of the work which involved heavy manual labour. He fixed rest time for workers so that they could recharge their energy for optimum contribution. He further desires to find out the best ways of doing a job. He also works to synchronise the work between the production and the sales department.

Q 1. Which principle of management is violated by Mr. Ajay?

- Division of work
- Centralisation and decentralisation
- Equity
- Scalar chain

Q 2. Name the technique of scientific management adopted by Mr. Vijay, when he gave fixed rest time to the workers.

- Time study
- Fatigue study
- Standardisation and simplification of work
- Motion study

Q 3. Which technique of scientific management is highlighted in this line, "He further desires to find out the best ways of doing a job"?

- Time study
- Motion study
- Method study
- Fatigue study

Q 4. Which quality of management is introduced by Mr. Vijay when he tries to synchronise the work between the production and sales departments?

- Effectiveness
- Efficiency
- Coordination
- Simplification

Answers

- (c)
- (b)
- (c)
- (c)

Case Study 2

Read the extract given below and answer the questions on the basis of the same:

One of the techniques of scientific management calls for using the best method for each activity in the organisation. This best method must be selected through application of scientific analysis and not by intuition or hit and trial methods, says one of the principles of scientific management.

Moreover, one other principle of scientific management emphasises that "to make the employees learn 'the best method' of production, training of workers is essential." It further emphasises that each person should be scientifically selected and the work assigned to the employees should suit their physical, mental and intellectual capabilities.

If physical, mental and intellectual capabilities of employees are to be harnessed to the maximum, then they must be given adequate breaks and rest in between their work as well.

Q 1. Name the technique of scientific management highlighted in the given line of the extract, "One of the techniques organisation".

- Method study
- Time study
- Fatigue study
- Motion study

Q 2. Name the principle of scientific management highlighted in the given line of the extract, "This best method scientific management".

- Science, not Rule of Thumb
- Harmony, not Discord
- Cooperation, not Individualism
- Development of Each and Every Person to His or Her Greatest Efficiency and Prosperity

Q 3. Which principle of scientific management is highlighted in the given line of the extract: "Moreover, one other intellectual capabilities".

- Science, not Rule of Thumb
- Harmony, not Discord
- Cooperation, not Individualism
- Development of Each and Every Person to His or Her Greatest Efficiency and Prosperity

Q 4. Which technique of scientific management is highlighted in the given line of the extract: "If physical, mental as well".

- Time study
- Method study
- Fatigue study
- Motion study

Answers

- (a)
- (a)
- (d)
- (c)

Case Study 3

Read the extract given below and answer the questions on the basis of the same:

After completing her Bachelors in Fashion Designing from a well-known college in London, Sonia has opened a boutique in a posh market in Delhi. She has divided the work in smaller units and each employee is well-

trained to perform his/her task efficiently. The sales persons are allowed to close a deal with a buyer by giving a maximum of 5% discount, whereas the decision to give any further discount rests with Sonia as the final authority. In the earlier period of her business venture, employees were asked to put in extra hours of work. In return, she had promised to give them a special incentive within a year. Therefore, when the business was doing well, she honoured her commitment by giving bonus to her employees. She also instructed her employees that communication from top to bottom should follow the official lines of command. However, she tends to be more biased towards her female employees, when it comes to solve the conflicts among employees.

Q 1. Sonia has divided the work in smaller units and each employee is well-trained to perform his/her task efficiently. Which principle of management is being followed here?

- a. Centralisation and decentralisation
- b. Division of work
- c. Discipline
- d. Order

Q 2. "The sales persons are allowed to close a deal with a buyer by giving a maximum of 5% discount whereas the decision to give any further discount rests with Sonia, as the final authority." Identify the principle of management being followed here.

- a. Centralisation and decentralisation
- b. Authority and responsibility
- c. Unity of command
- d. Unity of direction

Q 3. "Therefore, when the business was doing well, she honoured her commitment by giving bonus to her employees." Which principle of management is being highlighted here?

- a. Discipline
- b. Order
- c. Remuneration to employees
- d. Unity of direction

Q 4. Sonia tends to be more biased towards her female employees, when it comes to solve the conflicts among employees. Which principle is being violated here?

- a. Discipline
- b. Order
- c. Equity
- d. None of these

Answers

1. (b) 2. (a) 3. (a) 4. (c)

Case Study 4

Read the extract given below and answer the questions on the basis of the same:

Mona, a student of management at IIM, Ahmedabad, likes to relate what she has learnt in her classes during study to real life situations around her. She observed many situations while watching educational programmes on television that remind her of concepts

of scientific management. In one such programme, factories manufacturing parts for products like automobiles, computers and mobile phones were being telecast. These factories had defined benchmarks during production and were continuously aiming at eliminating unnecessary diversity of products. Thus, they aimed at eliminating superfluous varieties, sizes and dimensions and devising new varieties instead of the existing ones. While watching the programme, Mona realised that these companies could adopt one best way of doing the job in order to be more productive. She also felt that the employees of these companies were working for long hours continuously and needed to adopt certain strategies in order to improve their efficiency. The programme also showed a few interviews where some workers were found to be highly efficient as compared with a few others.

Q 1. Name the technique of scientific management that these factories are adhering to while manufacturing parts for such products.

- a. Method study
- b. Motion study
- c. Standardisation and simplification of work
- d. Time study

Q 2. Which scientific management technique would Mona recommend for these factories if they have to find out one best way of doing the job?

- a. Motion study
- b. Time study
- c. Method study
- d. Fatigue study

Q 3. Which scientific management technique would Mona suggest for these factories if they have to help the workers regain their stamina and enable them to work again with the same capacity?

- a. Motion study
- b. Time study
- c. Method study
- d. Fatigue study

Q 4. Which scientific management technique would Mona advise these factories to implement in order to motivate the inefficient workers to perform better?

- a. Functional foremanship
- b. Method study
- c. Time study
- d. Differential piece wage system

Answers

1. (c) 2. (c) 3. (d) 4. (d)

Case Study 5

Read the extract given below and answer the questions on the basis of the same:

Cool Ice-creams Ltd. is a very famous company in Bombay and has many branches in different parts of the city. They also have major expansion plans as they expect that their customers will increase in number in the next two years. Cool Ice-creams Ltd. produces a

a. efficient b. inefficient
c. Both a. and b. d. Neither a. nor b.

1. (b) 2. (a) 3. (c) 4. (b)

Q 2. What steps should the company management take in relation to the above principles to restore the company to its past glory?

Ans. Steps involved are:

- (i) Recruit trained staff
- (ii) Provide incentives
- (iii) Encourage workers to take initiatives
- (iv) Clearly define authority, responsibility relationship
- (v) Proper division of work
- (vi) Imposing penalties for any kind of Indiscipline
- (vii) Check the quality and price.

Case Study 8

Read the extract given below and answer the questions on the basis of the same:

In Ali Ltd., no importance had been attached to the suggestions given by the subordinates. In 2015, the company appointed Mr. Faraz as its Chief Executive Officer. He was an MBA degree holder with an experience of a decade. After assuming the charge of his office, he started a campaign, in which he collected more than 10,000 suggestions from employees out of which 1,500 were selected and implemented in different fields. This campaign fetched the company an additional profit of ₹150 crore.

Q 1. Which principle of management was opted by Mr. Faraz and why?

Ans. **Principle of Initiative:** It encouraged the employees to use their creativity and helped the company to earn additional profit of ₹ 150 crore.

Q 2. State two positive and two negative effects of this principle of initiative.

Ans. **Positive Effects:** Encourage creativity, increases efficiency and effectiveness.

Negative Effects: Wastage of lot of time while trying to implement less useful suggestions, lead to increase in cost and efficiency of indifferent employees decreases.



Very Short Answer Type Questions

Q 1. What is meant by principles of management?

Ans. The principles of management serve as broad and general guidelines for the managerial decision-making and action.

Q 2. What makes principles of management flexible?

Ans. Principles of management are flexible as they can be modified as per changes in the business environment.

Q 3. Sanak Lal and Gagan started their career in Wales Limited (a printing press) after going through a rigorous recruitment process. Since they had no prior work experience, the firm decided to give them one year to prove themselves. Name the principle of management followed by Wales Limited.

Ans. Stability of personnel

Q 4. Give any one reason why principles of management are called 'Contingent'?

Ans. The application of principle of management is contingent as it depends upon the prevailing situation at a particular point of time.

Q 5. What is meant by universal applicability of principles of management?

Ans. 'Universal applicability of principles of management' means that the principles of management are intended to apply to all types of organisations at all places.

Q 6. Give any one reason why principles of management do not provide readymade solution to all managerial problems.

Ans. Principles of management do not provide readymade solution to all managerial problems because principles provide general guidelines to managers whereas real business situations are very complex and not based on theoretical knowledge.

Q 7. Why did Fayol introduce the concept of gang plank in the principle of scalar chain?

Ans. Fayol introduced the concept of gang plank in the principle of scalar chain to overcome the problem of communication and delay in urgent matters.

Q 8. Which principles of management implies that there should be 'One Head and One Plan' for a group of activities having the same objectives?

Ans. Principle of unity of direction implies that there should be 'One Head One Plan' for a group of activities having the same objectives.

Q 9. Distinguish between principles of management and techniques of management.

Ans. Management principles are guidelines to take decisions, whereas management techniques are procedures involving series of steps to be taken to achieve desired goals.

Q 10. State any two causes of Fatigue that may create hindrance in the employee's performance.

Ans. (i) Long working hours
(ii) Doing unsuitable work

Q 11. Which technique is used by Taylor for distinguishing efficient and inefficient workers?

Ans. Differential piece wage system.

Q 12. How do principles of management help managers in taking decisions scientifically? State.

Ans. Principles of management help managers in taking scientific decisions as they are based on objective assessment of the situation and emphasise on logic rather than blind faith.

Q 13. What did Taylor want to communicate through mental revolution?

Ans. Taylor emphasised that there should be complete transformation in the thinking/attitude of management and workers towards each other. Managers should share surplus with workers and the workers should work with full devotion.

Q 14. State the role of gang boss in functional foremanship.

Ans. The role of gang boss as a foreman in functional foremanship is to keep the machines and tools ready for operation by workers.

Q 15. What does the principle of initiative indicate?

Ans. Principle of initiative indicates that the management should encourage workers to think, make and execute plans within prescribed limits of authority.

Q 16. Name the following principles of management:

(i) that prevents dual subordination and

(ii) that prevents overlapping of working of two divisions.

Ans. (i) Unity of command

(ii) Unity of direction

Q 17. Which technique of Taylor separates planning and execution functions?

Ans. Functional foremanship.

Q 18. Give the meaning of 'Mental Revolution' as suggested by F.W. Taylor.

Ans. Mental revolution refers to the change in the attitude of management and workers towards one another from competition to cooperation.

Q 19. A new engineer in a company is offered very low pay by top level. Which principle of management is being overlooked?

Ans. Remuneration of employees

Q 20. Why did Taylor develop the technique of differential piece wage system?

Ans. Taylor developed the technique to differentiate between efficient and inefficient workers and to suitably reward the efficient workers.

Q 21. Explain briefly discipline.

Ans. Discipline: It is the obedience of organisational rules by the subordinates. Discipline requires good supervisors at all levels, clear and fair agreements and judicious application of penalties. It leads to better superior-subordinate relationship.



Short Answer Type-I Questions

Q 1. Explain briefly unity of direction and order as principles of general management.

Ans. Unity of Direction: Each group of activities having the same objective must have one head and one plan. This ensures unity of action and coordination.

Order: According to this principle, a place for everything and everyone should be clearly assigned. People and material must be in suitable places at appropriate time for maximum efficiency.

Q 2. Explain briefly initiative and esprit de corps as principles of general management.

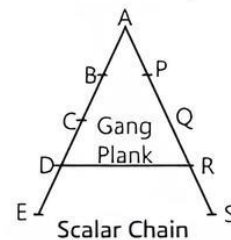
Ans. Initiative: Workers should be encouraged to develop and carry out their plan for improvements. Initiative means taking the first step with self-motivation. It is thinking out and executing the plan.

Esprit de Corps: Management should promote team spirit, unity and harmony among employees. Management should promote team work. It will develop an atmosphere of mutual trust and belongingness among team members and will minimise the need for using penalties.

Q 3. Explain briefly remuneration of employees and scalar chain as principles of general management.

Ans. Remuneration of Employees: The overall pay and compensation should be fair to both employees and the organisation. The wages should encourage the workers to work more and better.

Scalar Chain: The formal lines of authority between superiors and subordinates from the highest to the lowest ranks is known as scalar chain. This chain should not be violated, but in emergency employees at same level can contact through Gang Plank by informing their immediate superiors.



For example, in the given figure, 'A' is the head of the company who has two lines of authority under him. (A-B-C-D-E and A-P-Q-R-S).

In normal circumstances, if D wants to talk to R, then scalar chain is to be followed. i.e., D-C-B-A-P-Q-R.

In emergency, D can directly talk to R through 'Gang Plank'.

Q 4. Telco Ltd. manufactures files and folders from old clothes to discourage the use of plastic files and folders. For this, they employ people from nearby villages where very less job opportunities are available. An employee, Harish, designed a plan for cost reduction, but it was not welcomed by the production manager. Another employee gave some suggestions for improvements in design, but it also was not appreciated by the production manager.

Explain the principle of management that is violated in the above paragraph.

Ans. The principle of management that has been violated in the above paragraph is 'Initiative.'

Initiative: Workers should be encouraged to develop and carry out their plan for improvements. Initiative means taking the first step with self-motivation. It is thinking out and executing the plan.

Q 5. Explain 'Harmony, not Discord' as a principle of scientific management.

Ans. Harmony, not Discord: Taylor emphasised that there should be complete harmony between the management and workers instead of a kind of class-conflict, between the managers versus the workers.

To achieve this state, Taylor called for complete mental revolution on the part of both management and workers.

- Q 6. ABC Ltd. is engaged in producing electricity from domestic garbage. There is almost equal division of work and responsibilities between workers and the management. The management even takes workers into confidence before taking important decisions. All the workers are satisfied as the behaviour of the management is very good.

Explain the principle of management described in the above paragraph.

OR

Explain 'Cooperation, not Individualism' as a principle of scientific management. (CBSE 2023)

- Ans. The principle of management described in the above paragraph is 'Cooperation, not Individualism'.

Cooperation, not Individualism: This principle is an extension of principle of 'Harmony, not Discord'. There should be complete cooperation between the labour and the management instead of individualism. Competition should be replaced by cooperation and there should be an almost equal division of work and responsibility between workers and management.

- Q 7. Nikita and Salman completed their MBA and started working in a multinational company at the same level. Both of them worked hard and were happy with their employer. Salman had the habit of back-biting and wrong reporting about his colleagues to impress his boss. All the employees in the organisation knew about it. At the time of performance appraisal, the performance of Nikita was judged to be better than Salman. Even then their boss, Mohammed Sharif, decided to promote Salman stating that being a female, Nikita, would not be able to handle the complications of a higher post.

Identify and explain the principle of management which was not followed by this multinational company.

- Ans. 'Principle of equity' was not followed by this multinational company.

Principle of Equity: The working environment of any organisation should be free from all forms of discrimination (religion, language, caste, sex, age, disability, race or skin colour, national origin) and principles of justice and fair play should be followed. No worker should be unduly favoured or punished.

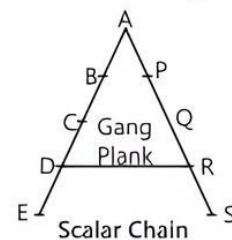
- Q 8. Vibhu joined as a Chief Executive Officer (CEO) of Mega Marut Ltd., a firm manufacturing cars. On the first day, he addressed his subordinates saying that organisations should have a chain of authority and communication that runs from top to bottom and should be followed by managers and the subordinates. He also added that for routine

matters a worker cannot directly contact the CEO but in an emergency, he/she may contact directly.

Vibhu discussed an important principle of management. Identify and explain the principle with the help of an example. (CBSE 2023)

- Ans. The principle of management discussed by Vibhu is the 'Principle of Scalar Chain.'

Scalar Chain: The formal lines of authority between superiors and subordinates from the highest to the lowest ranks is known as scalar chain. This chain should not be violated, but in emergency employees at same level can contact through Gang Plank by informing their immediate superiors.



For example, in the given figure, 'A' is the head of the company who has two lines of authority under him. (A-B-C-D-E and A-P-Q-R-S).

In normal circumstances, if D wants to talk to R, then scalar chain is to be followed. i.e., D-C-B-A-P-Q-R.

In emergency, D can directly talk to R through 'Gang Plank'.

- Q 9. Explain method study and time study as techniques of scientific management. (CBSE 2023)

- Ans. **Method Study:** It seeks to find out one best way of doing the job. The objective of this technique is to minimise the cost of production and maximise quality and satisfaction of customers.

Time Study: It is the technique to determine the standard time taken by a worker of average skill and knowledge to complete a standard task.

- Q 10. Explain motion study and fatigue study as a techniques of scientific management. (CBSE 2023)

- Ans. **Motion Study:** It refers to the study of movements of limbs which are undertaken while doing a typical job. This helps to eliminate unnecessary movements so that it takes less time to complete the job efficiently.

Fatigue Study: It seeks to determine the amount and frequency of rest intervals required in completing a task. Fatigue study helps to avoid accidents, rejections and industrial sickness.

- Q 11. Explain cause and effect relationship as a feature of principles of management. (CBSE 2023)

- Ans. **Cause and Effect Relationship:** They intend to establish relationship between cause and effect so that they can be used in similar situations. It means, principles help in predicting the outcome of managerial actions.

- Q 12. Explain any two techniques of scientific management from the following:

- (i) Method study
- (ii) Motion study
- (iii) Time study

(CBSE SQP 2023-24)

Ans. (i) **Method Study:** It seeks to find out one best way of doing the job. The objective of this technique is to minimise the cost of production and maximise quality and satisfaction of customers.

(ii) **Motion Study:** It refers to the study of movements of limbs which are undertaken while doing a typical job. This helps to eliminate unnecessary movements so that it takes less time to complete the job efficiently.

(iii) **Time Study:** It is the technique to determine the standard time taken by a worker of average skill and knowledge to complete a standard task.

Q 13. Differentiate between contributions made by F.W. Taylor and Henry Fayol on any three basis.

(CBSE SQP 2023-24)

Ans. Differences between Henry Fayol and F.W. Taylor are:

S. No.	Basis of Difference	Henry Fayol	F.W. Taylor
(i)	Perspective	Top level of management.	Shop-floor level of a factory.
(ii)	Focus	Overall efficiency by observing certain principles.	Efficiency through work simplification and standardisation.
(iii)	Orientation	Managerial Functions.	Production and engineering.

Q 14. Explain any two principles of Fayol from the following:

(i) **Discipline** (ii) **Order**

(iii) **Initiative** (CBSE SQP 2023-24)

Ans. (i) **Discipline:** It is the obedience of organisational rules by the subordinates. Discipline requires good supervisors at all levels, clear and fair agreements and judicious application of penalties.

(ii) **Order:** According to this principle, a place for everything and everyone should be clearly assigned. People and material must be in suitable places at appropriate time for maximum efficiency.

(iii) **Initiative:** Workers should be encouraged to develop and carry out their plan for improvements. Initiative means taking the first step with self-motivation. It is thinking out and executing the plan.

Q 15. Differentiate between unity of command and unity of direction on any three basis. (CBSE SQP 2023-24)

Ans. Differences between Unity of Command and Unity of Direction are:

S. No.	Basis of Difference	Unity of Command	Unity of Direction
(i)	Meaning	One subordinate should receive orders from one and should be responsible to only one superior.	Each group of activities having same objective must have one head and one plan.

(ii)	Aim	It prevents dual subordination.	It prevents overlapping of activities.
(iii)	Affect	It affects an individual employee.	It affects the whole organisation.



Short Answer Type-II Questions

Q 1. Explain how help principles of management:

(i) **help in optimum utilisation of resources and effective administration, and**

(ii) **help the managers in meeting changing environment requirements.**

Ans. (i) Principles of management help in optimum utilisation of resources and effective administration in the following manner:

(a) Principles of management equip the manager to foresee cause and effect relationship of their actions. So, wastages associated with trial and error approach can be overcome. Thus, when wastages are reduced, it leads to optimum utilisation of resources.

(b) Principles of management limit the boundary of managerial discretion so that their decisions may be free from personal biases, leading to effective administration.

(ii) Principles of management help the managers in meeting environment requirements as they are flexible in nature and can be modified accordingly. For example, principles of management lay emphasise on standard product, however it cannot be achieved on handicraft goods such as Banarasi Sarees.

Q 2. Explain 'Science, not Rule of Thumb' as a principle of scientific management. (CBSE 2023)

Ans. **Science, not Rule of Thumb:** Taylor believed that there was only one best method to maximise efficiency which can be developed through study and analysis and should substitute 'Rule of Thumb' or hit and trial method throughout the organisation.

Q 3. Write three differences between standardisation and simplification of work.

Ans. Three differences between Standardisation and Simplification of Work are:

S. No.	Basis of Difference	Standardisation	Simplification of Work
(i)	Meaning	It refers to the process of setting standards for every business activity.	It aims at simplifying business activities so that the output can be increased.
(ii)	Aim	It aims at devising new varieties instead of existing ones. So that new features can be incorporated and then standardising that product.	It aims at eliminating superfluous varieties, sizes and dimensions.

(iii)	Example	A manufacturing company produces shafts to standard shape and size incorporating new features.	Manufacturing only limited variety which have maximum demand.
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Q 4. Shubham owns a small-scale factory where utility items are prepared from waste material like paper mache items, paper and cloth bags, decorative material, etc. Over the past few weeks, he was observing that the productivity of one of his very efficient worker, Ramesh is going down. So, he decides to probe into the matter and confronts Ramesh one day. On being asked, Ramesh shares with Shubham that he has deliberately underplayed his performance as many of the less efficient workers often pull his leg saying that there is no need for him to be more efficient when everybody is being paid at the same rate. Taking a lesson from this insight, Shubham decides to implement an incentive bonus plan so as to differentiate between efficient and inefficient workers. In the context of the above case, name and explain the incentive bonus plan that Shubham may implement so as to differentiate between efficient and inefficient workers.

Ans. 'Differential piece wage system' is the incentive bonus plan that Shubham may implement so as to differentiate between efficient and inefficient workers.

Taylor wanted to differentiate between efficient workers and inefficient workers. He thought of rewarding the efficient workers by introducing high rate of wage payment for those who performed above standard and low wage rate for those who performed below standard. So, if the standard output per worker per day is 10 units and those who made standard or more than standard will get ₹50 per unit and those below will get ₹40 per unit. So, an efficient worker making 11 units will get ₹550 and inefficient worker making 9 units will get ₹360 per day. The difference of ₹190 is enough to motivate an inefficient workers to perform better.

Q 5. Sanket, after completing his entrepreneurship course from U.S.A. returned to India and started a coffee shop 'Fioma Coffee' in a famous mall in Mumbai. The speciality of the coffee shop was the special aroma of coffee and a wide variety of flavours to choose from. Somehow, the business was neither profitable nor popular. Sanket was keen to find out the reason. He appointed Riya, an MBA from a reputed management institute, as a manager to find out the causes of the business not doing well. Riya, took a feedback from the clients and found out that though they loved the special unique aroma of coffee but were not happy with the long waiting time being taken to process the order. She analysed and found out that there were many unnecessary obstructions which could be eliminated. She fixed a standard time for processing the order. She also

realised that there were many flavours whose demand was not enough. So, she also decided to discontinue the sale of such flavours. As a result, within a short period Riya was able to attract the customers. Identify and explain any two techniques of scientific management used by Riya to solve the problem.

Ans. The techniques of scientific management used by Riya to solve the problem are:

(i) **Standardisation of Work:** It is the process of setting standards for every business activity. It can be standardisation of process, raw material, time, product, machinery, methods or working conditions. Its objective is to reduce given product/line to fixed size, type and characteristics and to establish standards of performance of man and machines.

(ii) **Simplification of Work:** It aims at eliminating unnecessary variety of products.

It results in saving of cost of labour, machines and tools and reducing inventories.

Its aim is to eliminate unnecessary variety of products or forms.

Q 6. Kanpur Leather Ltd. is the manufacturer of leather products. It is producing on large-scale and its organisational structure is functional. In the production department, various foremen are employed. Each foreman have been made responsible for production planning, implementation and control. This has led to a situations of confusion and uncertainty. Suggest a technique of scientific management to Kanpur Leather Ltd. which may help it to effectively organise planning and its execution.

Ans. Technique of scientific management which will help Kanpur Leather Ltd. to effectively organise planning and its execution is 'Functional Foremanship'. Foreman is the lowest ranking manager and the highest ranking worker, around whom revolves the entire production, planning, implementation and control. Taylor believed that all the qualities cannot be found in a single person. So, he advocated putting a worker under eight functional foreman.

The functions of eight foreman are described as under:

Planning Department

(i) **Instruction Card Clerk:** He assigns work to all the employees.

(ii) **Route Clerk:** He decides how work will progress so that production is on time.

(iii) **Time and Cost Clerk:** He determines what will be the total cost and how much time each job takes.

(iv) **Disciplinarian:** He sees that there is discipline at work place.

Production Department

(v) **Speed Boss:** He ensures that the work is moving at a suitable pace.

(vi) **Gang Boss:** He ensures sufficient availability of raw material, tools, etc.

(vii) **Repair Boss:** He sees that whenever some repair is involved in any work, the work is done properly.

(viii) **Inspector:** He sees that whether the quality of output is good or not.

Q 7. Write down the objectives of standardisation of work.

Ans. The objectives of standardisation are:

- (i) To reduce a given line or product to fixed types, sizes and characteristics.
- (ii) To establish interchangeability of manufactured parts and products.
- (iii) To establish standards of excellence and quality in materials.
- (iv) To establish standards of performance of men and machines.



Long Answer Type Questions

Q 1. Explain the following techniques of scientific management:

- (i) **Time Study**
- (ii) **Simplification of Work.**

Ans. (i) Time Study: It is the technique to determine the standard time taken by a worker of average skill and knowledge to complete a standard task.

Its objectives are:

- (a) to determine number of workers to be employed.
- (b) to frame suitable incentives schemes.
- (c) to determine labour costs.

(ii) Simplification of Work: Simplification aims at:

- (a) Eliminating unnecessary diversity of products.
- (b) Saving of costs of labour, machines and tools.
- (c) Reducing inventories.
- (d) Fuller utilisation of equipment.
- (e) Increasing turnover.
- (f) It aims at eliminating superfluous variety, sizes and dimensions.
- (g) It leads to reduction in wastage of inventories, fuller utilisation of equipments.

Q 2. Explain any four characteristics of principles of management.

OR

Explain 'General Guidelines' as a feature of principles of management. (CBSE 2023)

OR

Explain 'Universal Applicability' as a feature of principles of management. (CBSE 2023)

Ans. Following are the characteristics of principles of management:

- (i) **Universal Applicability:** They can be applied in all types of organisations, business as well as

non-business, small as well as large enterprises. However, extent of application varies depending on nature and size of organisation.

For example, principle of division of work applies to a government office as well as to a limited company, but the extent to which it will apply will vary from case-to-case.

- (ii) **General Guidelines:** They are general guidelines of action and decision-making, however, they do not provide readymade solutions as the business environment is ever changing or dynamic. They have to be adjusted as per demand of the situation.

For example, in dealing with a situation of conflict between two departments, a manager may emphasise the primacy of overall goals of organisation.

- (iii) **Formed by Practice and Experimentation:** They are developed after through research work on the basis of experiences of managers.

For example, principle of discipline is formed on the basis of experience of managers whereas in order to reduce stress and fatigue of workers, an experiment may be conducted to see the effect of improvement of physical conditions to reduce stress.

- (iv) **Flexible:** Principles of management can be adapted and modified by the practicing managers as per the demands of the situations as they are man-made principles.

For example, while planning the layout of a factory, orderliness would require that workflows are matched by flow of materials and movement of men.

Q 3. Explain the following principles of management:

- (i) **Subordination of individual interest to general interest.**

- (ii) **Development of each and every person to his or her greatest efficiency.**

Ans. (i) Subordination of Individual Interest to General Interest: The interest of an organisation should take priority over the interest of individual employees.

For example, a manager must set example for the employees through his exemplary behaviour. He should not misuse his powers for family benefit but should work in the general interest of the company. This will in turn follow his behaviour and behave in the same way as the manager.

- (ii) **Development of Each and Every Person to His or Her Greatest Efficiency:** Taylor was of the view that the concern for efficiency could be built in right from the process of employee selection. Each person should be scientifically selected and the work assigned should suit her or his physical, mental and intellectual capabilities. To increase efficiency, they should be given the required training.

Q 4. Explain 'Science, not rule of thumb', Harmony, not discord' and Development of Each and Every Person to His or Her Greatest Efficiency and Prosperity as principles of scientific management given by F.W. Taylor.

OR

Explain 'Harmony, not Discord' as a principle of scientific management. (CBSE 2023)

Ans. (i) **Science, not Rule of Thumb:** Taylor believed that there was only one best method to maximise efficiency which can be developed through study and analysis and should substitute 'Rule of Thumb' or hit and trial method throughout the organisation.

For example, even a small production activity like loading pigs of iron into boxcars can be scientifically managed.

(ii) **Harmony, not Discord:** Taylor emphasised that there should be complete harmony between the management and workers instead of a kind of class-conflict, between the managers versus the workers.

To achieve this state, Taylor called for complete mental revolution on the part of both management and workers.

(iii) **Development of Each and Every Person to His or Her Greatest Efficiency and Prosperity:** The efficiency of an Industry depends on the competency of personnel in it. For the personnel to be competent, he must learn 'One Best Method' through training.

Management must try to build their efficiency right from the 'stage of employee selection'. Selection should be scientific. Then, the assignment to duties must meet her physical, mental and intellectual capabilities.

Now, the worker must be given training so that he learn the one best method and become efficient. Efficient employee will earn more, lead to prosperity of company as well as employee.

Q 5. Explain the technique given by F.W. Taylor that brings Specialisation to the shop floor and is an extension of principle of division of work. Also explain how does it contradicts one of the principles of management given by Fayol.

Ans. The technique is 'Functional Foremanship'.

Functional Foremanship: It is an expansion of the principle of division of work and specialisation to the shop floor. Each worker is supposed to take orders from eight foreman in the related process or function of production namely;

Under Planning Department

(i) **Instruction Card Clerk:** He assigns work to all the employees.

(ii) **Route Clerk:** He decides how work will progress so that production is on time.

(iii) **Time and Cost Clerk:** He determines what will be the total cost and how much time each job takes.

(iv) **Disciplinarian:** He sees that there is discipline at work place.

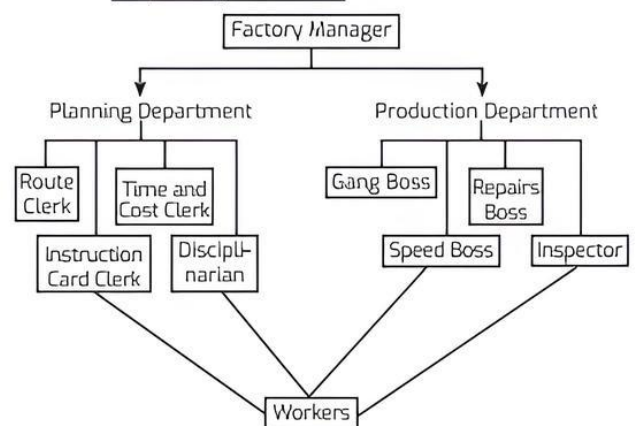
Under Production Department

(i) **Speed Boss:** He ensures that the work is moving at a suitable pace.

(ii) **Gang Boss:** He ensures sufficient availability of raw material tools, etc.

(iii) **Repair Boss:** He sees that whenever some repair is involved in any work, the work is done properly.

(iv) **Inspector:** He sees that whether the quality of output is good or not.



Q 6. Write down the objectives of:

(i) Time Study

(ii) Standardisation and Simplification of Work.

Ans. **Objectives of Time Study:** The objectives of time study are:

- (i) To determine the number of workers to be employed.
- (ii) To frame suitable incentive schemes.
- (iii) To determine labour costs.
- (iv) To set-up standard target for workers.
- (v) To categorise the workers in efficient and inefficient categories.

Objectives of Standardisation and Simplification of Work: The objectives of standardisation and simplification of work are:

- (i) To reduce a given line or product to fixed types, sizes and characteristics.
- (ii) To establish interchangeability of manufactured parts and products.
- (iii) To establish standards of excellence and quality in materials.
- (iv) To establish standards of performance of men and machines.
- (v) To eliminate superfluous varieties, sizes and dimensions.
- (vi) To ensure fuller utilisation of equipment.
- (vii) To increase turnover.

Q 7. Raj works as plant superintendent in a carpet making factory. In order to complete the export orders on time, the production manager asks him to make the workers work over time whereas the finance manager is strictly against this practice because it will increase the cost of production. Moreover, Raj feels that since the company is manufacturing handmade carpets as well as machine made carpets there is a lot of overlapping of activities. Therefore, there should be two separate divisions for both of them wherein each division should have its own incharge, plans and execution resources.

In the context of the above paragraph:

- Identify and explain the principle of management which is being violated.
- Also identify the principle of management that Raj feels should be implemented in the factory.
- Give any three differences between the principle of management as identified in points (i) and (ii) respectively.

OR

Distinguish between unity of command and unity of direction.

Ans. (i) The principle of management which is being violated is 'Unity of Command'.

This principle states that each participant in a formal organisation should receive order from and be responsible to only one superior. If an employee receives orders from more than one superior, then unity of command is violated. It prevents confusion.

For example, a sales person is asked to give 10% discount to a buyer in order to make a deal by the marketing manager, but the finance manager asks him not to give a discount of more than 5%. Now, here unity of command is violated.

(ii) The principle of management that Raj feels should be implemented in the organisation is 'Unity of Direction.' This principle states that:

(a) All the units of an organisation should be moving towards the same objectives through coordinated and focussed efforts.

(b) Each group of activities having the same objectives must have one head and one plan.

It ensures 'Unity of Action' and 'Coordination'.

For example, if there are two units in an organisation manufacturing cars and motor cycles, then each unit must have a separate head and both units must move towards the organisational objective through coordinated efforts.

(iii) Differences between the principle of Unity of Command and Unity of Direction are:

S. No.	Basis of Difference	Unity of Command	Unity of Direction
(i)	Meaning	One subordinate should receive orders from one and should be responsible to only one superior.	Each group of activities having same objective must have one head and one plan.
(ii)	Aim	It prevents dual subordination.	It prevents overlapping of activities.
(iii)	Affect	It affects an individual employee.	It affects the whole organisation.

Q 8. Explain any six points highlighting the significance/importance of principles of management.

OR

Explain Providing managers with useful insights into reality and fulfilling social responsibilities as significance of principles of management.

(CBSE 2023)

OR

Explain (i) Optimum utilisation of resources and effective administration and (ii) Scientific decisions, as significance of principles of management.

(CBSE 2023)

OR

Explain (i) Meeting changing environment requirement; and (ii) Management, training, education and research as significance of principles of management.

(CBSE 2023)

Ans. The significance/importance of principles of management are:

(i) **Providing Managers with Useful Insights into Reality:** If managers adhere to the principles of management, then it adds to their knowledge, ability and understanding of managerial situations and circumstances due to which they are able to deal with real life situations and solve problems quickly.

(ii) **Optimum Utilisation of Resources and Effective Administration:** Principles of management equip the managers to foresee cause and effect relationship of their actions. So, wastages associated with trial and error approach can be overcome. Thus, when wastages are reduced, it leads to optimum utilisation of resources.

(iii) **Scientific Decisions:** Management decisions based on principles emphasise logic rather than blind faith as they are based on facts and objective assessment of the situation. Thus, management decisions based on principles are timely and realistic.

(iv) **Meeting Changing Business Environment Requirement:** Management principles, though being general guidelines can be modified to help managers to meet changing requirements of environment, thereby being flexible in nature.

(v) **Fulfilling Social Responsibility:** The increased awareness of the public has forced businesses to fulfil social responsibilities. Management principles have helped to fulfil social responsibility.

(vi) **Management Training, Education and Research:** Principles of management, being at core of management theory provide basis for management training, education, research and development of management as a discipline. BBA, MBA courses teach these principles at beginner's level (Principle used in Education).

Q 9. Briefly explain any three of the following principles of management given by Henry Fayol:

(CBSE SQP 2022-23)

(i) **Unity of Command** (ii) **Equity**

(iii) **Remuneration** (iv) **Initiative**

Ans. (i) **Unity of Command:** It implies that every worker should receive orders and instructions from one superior only. otherwise it will create confusion, conflict, disturbance and overlapping of activities. According to Fayol, if this principle is violated, then authority is undetermined, order disturbed and stability threatened.

For example, a sales person is asked to give 10% discount to a buyer in order to make a deal by the marketing manager, but the finance manager asks him not to give a discount of more than 5%. Now, here unity of command is violated.

(ii) **Equity:** The working environment of any organisation should be free from all forms of discrimination (religion, language, caste, sex, age, disability, race or skin colour, national origin) and principles of justice and fair play should be followed. No worker should be unduly favoured or punished.

For example, individuals performing similar jobs in Kapura Ltd. are paid at same wage rate without any discrimination on account of sex, caste, religion, etc.

(iii) **Remuneration:** The overall pay and compensation should be fair to both employees and the organisation. The wages should encourage the workers to work more and better.

(iv) **Initiative:** Workers should be encouraged to develop and carry out their plan for improvements. Initiative means taking the first step with self-motivation. It is thinking out and executing the plan.

Q 10. Karan Nath took over 'D'north Motor Company' from his ailing father three months ago. In the past, the company was not performing well. Karan was determined to improve the company's performance. He observed that the methods of production as well as selection of employees in the company were not scientific.

He believed that there was only one best method to maximise efficiency. He also felt that once the method is developed, the workers of the company should be trained to learn that 'best method'.

He asked the production manager to develop the best method and carry out the necessary training. The production manager developed this method using several parameters right from deciding the sequence of operations, place for men, machines and raw materials till the delivery of the product to the customers. This method was implemented throughout the organisation. It helped in increasing the output, improving the quality and reducing the cost and wastage.

Identify and explain the principles and the technique of scientific management followed by the production manager in the above case.

Ans. Principles and techniques of scientific management followed by the production manager in the above case are:

(i) **Science, not Rule of Thumb:** Taylor introduced science in domain of management. He believed that there is only 'One Best Way' to maximise efficiency. He substituted rule of thumb by scientific management. The scientific method involves:

(a) Study of traditional methods.

(b) Unifying the best practices.

(c) Developing a standard method.

(ii) **Development of Each and Every Person to His or Her Greatest Efficiency and Prosperity:** The efficiency of an industry depends on the competency of personnel in it. For the person to be competent, he must learn 'One best Method'. The workers must be given training so that he learns the one best method and becomes 'Efficient'. Efficient employee will earn more which will lead to prosperity of the company as well as employees.

(iii) **Method Study:** Method study relates to finding out 'One best way' of doing job. The objectives of method study is to:

(a) Maximise quality.

(b) Minimise cost.

(c) Increase satisfaction of customers.

Q 11. After finishing her BBA degree course, Tanya gets a job of Assistant Manager in a retail company through the reference of her cousin Taruna who works in the same company as a Senior Manager. Taruna decides to guide Tanya through her experience by making her aware of the important facts about management in practice. She tells her that neither the principles of management provide any readymade, strait jacket solutions to all managerial problems nor they are not rigid prescriptions, which have to be followed absolutely.

In the context of the given paragraph:

- (i) Identify the two features of principles of management mentioned in the above paragraph by quoting lines from the paragraph.
- (ii) Why do the principles of management not provide readymade, strait, jacket solutions to all managerial problems?

Ans. (i) The two features of principles of management mentioned in the above paragraph are as follows:

(a) **General Guidelines:** They are general guidelines of action and decision-making, however, they do not provide readymade solutions as the business environment is ever changing or dynamic. They have to be adjusted as per demand of the situation.

(b) **Flexible:** Principles of management can be adapted and modified by the practicing managers as per the demands of the situations as they are man-made principles.

- (ii) As the real business situations are very complex and dynamic and as a result of many factors, the principles of management not provide readymade, straitjacket solutions to all managerial problems.

COMMON ERROR

Instead of writing the features of principles of management, students write the importance of principles of management. Stress must be put on the important key words without which answer is meaningless and incomplete. Features signify the nature of some concept whereas importance signifies the significant role that the concept plays in a particular situation.

- Q 12. Raj and Simran are both qualified eye surgeons and good friends. After obtaining a certificate of practice, they decide to pursue a career of their own choice. Raj starts an eye care centre in the city whereas Simran joins a government hospital in a small village. They meet after a long time in a party. Raj invites Simran to visit his eye care centre and she accepts his invitation. She observes at his clinic that there is a fixed place for everything and everyone and it is present there so that there is no hinderance in the activities of the clinic. Also, Raj always tends to replace 'I' with 'We' in all his conversations with the staff members. Later on, Raj shares with her that he always deals with lazy staff sternly to send the message that everyone is equal in his eyes.

In the context of the above paragraph, identify and explain the various principles of management that Raj is applying for the successful management of his eye care centre.

Ans. The various principles of management that Raj is applying for the successful management of his eye care centre are described below:

- (i) **Order:** This principle states that people and materials must be in suitable places at appropriate time for maximum efficiency. It also

states that there must be a place for everything and everything in its place.

It leads to:

- (a) increased efficiency.
- (b) increased productivity.

- (ii) **Esprit de Corps:** This principle states that management should promote team spirit of unity and harmony among employees 'I' should be replaced with 'We'. The main Benefits of this principle are:

- (a) Coordination
- (b) Mutual trust
- (c) Belongingness

- (iii) **Equity:** The principle of equity states that there should be no discrimination on account of sex, religion, language, caste, nationality, etc. A good sense and experience are needed to ensure fairness to employees. The benefit of this principle is ensures cordial relation between management and workers.

- Q 13. Hritik is desirous of setting up a small factory to manufacture different kinds of eco-friendly packaging materials. He proposes to adopt a logical approach to his business rather than hit and trial method as he knows that this can result in tremendous saving of human energy as well as wastage of time and materials. He plans to adopt paternalistic style of management in practice in order to avoid any kind of class-conflict that may emerge between him and the workers. Moreover, he plans to seek the opinion of his workers before taking any important decisions and also offers incentives to them for providing valuable suggestions for the business.

In the context of the above paragraph:

Identify and explain the various principles of scientific management that Hritik plans to apply in his business.

Ans. The various principles of scientific management that Hritik plans to apply in his business are described below:

- (i) **Science, not Rule of Thumb:** Taylor believed that there was only one best method to maximise efficiency which can be developed through study and analysis and should substitute 'Rule of Thumb' or hit and trial method throughout the organisation.

- (ii) **Harmony, not Discord:** Taylor emphasised that there should be complete harmony between the management and workers instead of a kind of class-conflict, between the managers versus the workers.

To achieve this state, Taylor called for complete mental revolution on the part of both management and workers.

- (iii) **Cooperation, not Individualism:** This principle is an extension of principle of 'Harmony, not Discord'. There should be complete cooperation between the labour and the management instead of individualism. Competition should be replaced by cooperation and there should be an almost equal division of work and responsibility between workers and management.

Q 14. Gaurika has been appointed as the chief organiser of a week long cultural event. Being a staunch follower for scientific management, she decides to execute her work by putting into practice the various techniques of scientific management. On the basis of several observations, she is able to determine that the standard time taken by the security officer at the gate to check the credentials of each visitor is 30 seconds. So, she decides to employ two persons on this job for every function along with the other necessary support staff. She considers the fact that every day, the functions will take place in three shifts of four hours each, therefore, it is important to give breaks to the support staff even in a single shift to take his/her lunch etc. Moreover, on introspection, she determines that the best way to distribute refreshment boxes to the visitors will be to hand it over to them at the exit gate as it would help to save time and eliminate any kind of confusion.

In context of the above paragraph:

Identify and explain the various techniques of work study which have been put into practice by Gaurika.

Ans. The various techniques of work study which have been put into practice by Gaurika are outlined below:

- (i) **Time Study:** It is the technique to determine the standard time taken by a worker of average skill and knowledge to complete a standard task.
- (ii) **Fatigue Study:** It seeks to determine the amount and frequency of rest intervals required in completing a task. Fatigue study helps to avoid accidents, rejections and industrial sickness.
- (iii) **Method Study:** It seeks to find out one best way of doing the job. The objective of this technique is to minimise the cost of production and maximise quality and satisfaction of customers.

Q 15. Briefly explain any three of the following techniques of scientific management as given by F.W. Taylor:

- (i) Method Study
- (ii) Functional Foremanship
- (iii) Standardisation
- (iv) Differential Piece Wage System

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Ans. (i) Method Study: It seeks to find out one best way of doing the job. The objective of this technique is to minimise the cost of production and maximise quality and satisfaction of customers.

(ii) Functional Foremanship: It is an extension of the principle of division of work and specialisation to the shop-floor. Each worker is supposed to take orders from eight foreman in the related process or function of production namely:

Under Planning Department

(a) Instruction Card Clerk: He assigns work to all the employees.

(b) Route Clerk: He decides how work will progress so that production is on time.

(c) Time and Cost Clerk: He determines what will be the total cost and how much time each job takes.

(d) Disciplinarian: He sees that there is discipline at work place.

Under Production Department

(a) Speed Boss: He ensures that the work is moving at a suitable pace.

(b) Gang Boss: He ensures sufficient availability of raw material, tools, etc.

(c) Repair Boss: He sees that whenever some repair is involved in any work, the work is done properly.

(d) Inspector: He sees that whether the quality of output is good or not.

(iii) Standardisation: It is the process of setting standards for different factors like raw material, time, product methods or working conditions. It uses standard equipments, methods and process, in order to maximise the output keeping in mind the quality standards. It helps in establishing the norms for sizes, types, height, etc.

(iv) Differential Piece Wage System: It is a system of wages payment in which efficient and inefficient workers are paid at different rates. Taylor has suggested two types of wages for similar work. Higher wages for efficient workers and lower wages for inefficient workers. Taylor classified the workers as efficient or inefficient on the basis of their performance. A worker producing equal to or more than the fair days work is considered as efficient worker and is paid at a higher rate and worker producing less than the fair day's work is considered as inefficient worker and is paid at a lower rate.

Q 16. What is the difference between contributions of Fayol and Taylor?

Ans. Henry Fayol and F.W. Taylor are associated with the classical management theory. Both of them immensely contributed towards the knowledge of management.

They were different in their contributions, but essentially they were complementary in nature.

Difference between contributions of Henry Fayol and F.W. Taylor are as follows:

S. No.	Basis of Difference	Henry Fayol	F.W. Taylor
(i)	Perspective	Top level of management.	Shop-floor level of factory.
(ii)	Focus	Overall efficiency by observing certain principles.	Efficiency through work simplification and standardisation.

(iii)	Orientation	Managerial functions.	Production and engineering.
(iv)	Results	Personal experiences translated into universal truths.	Scientific observation and measurement.
(v)	Overall Contribution	Systematic theory of management.	Basis for accomplishment on production line.

Q 17. A famous cricket coach, Alam Raza was hired by sports college, Indore to coach the college cricket team for a national level competition. In the first meeting itself, the principal of the college announced that the players would enter into an agreement with the college. The agreement would state the reporting time for players on the field and other rules and regulations. Failure to obey the agreement and rules would lead to judicious application of penalties. It was also announced by the college principal that the players would receive orders from the coach and they would all be responsible only to the coach, to prevent confusion regarding tasks to be done. The coach was very determined to train the players to win, as the entire responsibility was on his shoulders. He promoted the spirit of mutual trust and

belongingness among the team members without which he felt it would be difficult to win. The players were also enthusiastic and the training started in full swing.

Identify and explain the three principles of management discussed in this case.

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Ans. Three principles of management discussed in the given case are:

- (i) **Discipline:** It is the obedience of organisational rules by the subordinates. Discipline requires good supervisors at all levels, clear and fair agreements and judicious application of penalties.
- (ii) **Unity of Command:** It implies that every worker should receive orders and instructions from one superior only, otherwise it will create confusion, conflict, disturbance and overlapping of activities. According to Fayol, if this principle is violated, then authority is undetermined, order disturbed and stability threatened.
- (iii) **Esprit de Corps:** Management should promote team spirit, unity and harmony among employees. Management should promote team work. It will develop an atmosphere of mutual trust and belongingness among team members and will minimise the need for using penalties.



Chapter Test

Multiple Choice Questions

- Q 1.** Management principles are not as principles of pure science.
 - a. flexible
 - b. dynamic
 - c. rigid
 - d. fluctuate
- Q 2.** Gang Plank permits communication.
 - a. diagonal
 - b. horizontal
 - c. vertical
 - d. None of these
- Q 3.** Who is considered as the Father of Scientific Management?
 - a. F.W. Taylor
 - b. Henry Fayol
 - c. Gilbreth
 - d. Koontz
- Q 4.** Identify the technique of scientific management when each employee is supervised by various supervisors:
 - a. Method study
 - b. Time study
 - c. Fatigue study
 - d. Functional foremanship
- Q 5.** Statement I: Through use management principles, wastage and inefficiency associated with trial and error approach can be reduced.

Statement II: Principles of management help the managers to foresee the cause and effect relationship of their decisions.

Choose the correct option from the options given below:

- (a) Statement I is true and II is false.
- (b) Statement II is true and I is false.
- (c) Both the statements are true.
- (d) Both the statements are false.

Assertion and Reason Type Questions

Directions (Q. Nos. 6-7): There are two statements marked as Assertion (A) and Reason (R). Read the statements and choose the appropriate option from the options given below:

- a. Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
 - b. Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
 - c. Assertion (A) is true, but Reason (R) is false.
 - d. Assertion (A) is false, but Reason (R) is true.
- Q 6.** Assertion (A): Unity of command with the objective of one head and one plan ensures unity of action and coordination.
- Reason (R): As dual subordination is avoided through unity of command, there are no confusions regarding the task to be done.

Q 7. Assertion (A): According to Taylor, there should be an almost equal division of work and responsibility between workers and management.

Reason (R): The principle of 'harmony, not discord' says that there should be complete harmony between management and workers.

Case Study Based Questions

Q 8. Read the extract given below and answer the questions on the basis of the same:

Rihan is a paralegal at a law firm. He is amazing at research. He recently found a new method to present the information to the client. However, the associate did not pay attention to his suggestion.

Rihan did not like this behaviour. Therefore, he directly went to the partners of the firm without following the line of authority, to present his idea.

He approached all the partners to make them cognizant about his suggestion. But, he could not find Mac (Partner) at his designated office cabin. It turned out to be that this particular partner keeps changing his cabin a lot, always leading to chaos whenever someone wants to contact him.

After he presented his idea to all the partners, he asked for approval. Without discussing amongst themselves, two partners approved the suggestion while two of them rejected it. This led to ambiguity in the mind of Rihan whether he can implement the idea or not.

(i) Which principle is violated in the lines, "However, the associate did not pay attention to his suggestion"?

- a. Division of work
- b. Authority and responsibility
- c. Unity of direction
- d. Initiative

(ii) Which principle is violated in the lines, "But, he could not find Mac (Partner) at his designated office cabin. It turned out to be that this particular partner keeps changing his cabin a lot, always leading to chaos whenever someone wants to contact him"?

- a. Discipline
- b. Remuneration of employees
- c. Scalar chain
- d. Order

(iii) Which principle is violated in the lines, "Without discussing amongst themselves, two

partners approved the suggestion while two of them rejected it. This led to ambiguity in the mind of Rihan whether he can implement the idea or not"?

- a. Order
- b. Stability of personnel
- c. Unity of command
- d. Esprit de corps

Q 9. Read the extract given below and answer the questions on the basis of the same:

Pawan is working as Production Manager in CFL Ltd. which manufactures CFL bulbs. There is no class-conflict between the management and workers. The working conditions are very good. The company is earning huge profits. As a policy, the management shares the profits earned with the workers because they believe in the prosperity of the employees.

(i) State the principle of management described in the above paragraph.

(ii) Explain one more scientific principle of management.

Very Short Answer Type Questions

Q 10. State the role of 'speed boss' in functional foremanship.

Q 11. State the objectives of time study.

Q 12. Which technique of Taylor differentiates between an efficient worker and an inefficient worker?

Short Answer Type-I Questions

Q 13. Name and explain the principle of management according to which a manager should replace 'I' with 'We' in all his conversation with workers.

Q 14. Name and explain the principles of management which require judicious application of penalties by the management.

Short Answer Type-II Question

Q 15. Explain any two characteristics of principles of management.

Long Answer Type Questions

Q 16. Explain any five techniques of scientific management.

Q 17. Explain any two Fayol's principles of management.

Q 18. Explain any four points which highlight the importance of principles of management.